



NEWS RELEASE

Jabil Releases Findings of Edge Retail Survey Underscoring Latest Advancements in Omnichannel Retail Strategies

1/12/2022

- 83% of survey participants have a major digital transformation initiative underway
- A third of those polled plan to deploy an edge-retail solution in 2022
- Utilization of IoT, AI and machine learning identified as top attribute for edge retail
- Lack of system integration expertise, limited number of turnkey solutions and insufficient data analytics skills create edge-retail implementation challenges

ST. PETERSBURG, Fla.--(BUSINESS WIRE)-- **Jabil** (NYSE: JBL) today announced the results of a North American survey of omnichannel retail decision makers, which identified top trends, opportunities and obstacles in the development and deployment of innovative edge-retail solutions. These solutions encompass self-serve, smart kiosks and automated boutiques that create growing opportunities for more personalized, frictionless shopping experiences and closer direct-to-customer brand relationships.

(Graphic: Business Wire)

“Edge retail is gaining momentum as brands invest in innovative strategies to extend

their digital reach amid dramatic shifts in consumer behavior resulting from the pandemic and lingering labor shortages,” said Fred McCoy, president, Enterprise and Retail Technology Solutions, Jabil. “The findings from our latest retail survey reinforce the need to elevate customer experiences with tailored solutions for putting highly relevant merchandise in the direct path of targeted consumers while ensuring seamless shopping across every retail channel.”

Jabil commissioned SIS Research International to conduct the **Edge Retail Survey** between August and October 2021, polling more than 200 participants from leading retail and DTC brands in the U.S., encompassing apparel, cosmetics, eyewear, jewelry, as well as pet food and accessories, among other segments. More than eight in 10 retailers polled report they have major digital transformations underway to improve operations, customer service and shopping experiences. Nearly half (47%) of the respondents are investing in online and in-store technology as part of integrated, omnichannel solutions.

Growing Investments and Opportunities at the Edge

Jabil’s latest survey underscores retail’s continued investment in edge-retail solutions, including self-serve kiosks and intelligent vending machines. According to those polled, 22% already have implemented some form of edge



retail while 33% plan to deploy the technology in 2022. Eyewear, cosmetics and apparel retailers ranked highest in rating edge retail's relevance to their businesses.

Overall, respondents were split in their opinions about using edge retail as part of an existing omnichannel strategy or as a new channel opportunity altogether. Either way, edge retail solutions, such as automated boutiques in unique or non-store locations, represent a low-risk, low-cost market entry point. The opportunity to experiment with new products is another benefit as retailers can pivot quickly to address market dynamics and growth projections. Interestingly, participants felt both luxury products and disposable/inexpensive products were ideally suited for edge retail, reinforcing the sentiment that opportunities exist across the board.

Most Important Edge-Retail Features

In ranking the top-three most important attributes or features to consider for an edge-retail device, respondents cited utilization of IoT, AI and machine learning (61%); the ability to generate and analyze data about traffic, sales and trends (57%); as well as the installation and maintenance of inventory/supply chain logistics (44%). Other important attributes identified include the ability to tailor messages displayed on the kiosk (38%), the need for a cost-effective solution (26%), integration of channel messages (23%) and ease of customization in kiosk design and build (21%).

Overcoming Deployment and Technology Challenges

Despite the strong market opportunity, challenges exist in terms of technological obstacles and lack of implementation expertise. Survey participants highlighted technology roadblocks in embedding new in-store technologies (21%), integrating with omnichannel marketing (19%) and finding the right mix of technologies to reach consumers most effectively (15%). Moreover, retailers face problems implementing self-serve kiosks because systems integrators lack necessary experience with component technologies (30%), there's limited availability of turnkey solutions (25%) and current retail supply chains do not have sufficient expertise in components and technologies required (23%).

Retailers face a post-pandemic future where heightened awareness of user interfaces supporting contactless and voice-activated operation will become increasingly critical. The road to edge retail is paved with omnichannel innovations—including a hybrid e-commerce, brick-and-mortar edge-retail channel.

Jabil Retail

Over the past 20 years, Jabil Retail has gained access to 90% of the top retailers across approximately 50,000 storefronts while collaborating with the most innovative technology companies to improve operations and transform customer experiences. Jabil now is on the forefront of designing, developing, manufacturing and delivering tailored edge-retail solutions on behalf of leading retailers worldwide.

About Jabil:

Jabil (NYSE: JBL) is a manufacturing solutions provider with over 260,000 employees across 100 locations in 30 countries. The world's leading brands rely on Jabil's unmatched breadth and depth of end-market experience, technical and design capabilities, manufacturing know-how, supply chain insights and global product management expertise. Driven by a common purpose, Jabil and its people are committed to making a positive impact on their

local community and the environment. Visit www.jabil.com to learn more.

Michael Kovacs
Senior Director, Marketing, Jabil
1.408.427.1191
michael_kovacs@jabil.com

Source: Jabil, Inc.

